New Vehicle Receiving & Inspection Procedures

Effective May 2014

Revision 16.05.2014 (V.8)
# Table of Contents

Glossary ................................................................................................................................. ii  

1. Introduction .......................................................................................................................... 1

2. Receiver Carrier Relationship .............................................................................................. 2  
   2.1 The carrier representative is expected to: ................................................................. 2  
   2.2 The receiver is expected to: ....................................................................................... 2

3. Wharf to PDI ....................................................................................................................... 4  

4. Vehicle Survey Report Form (VSR) Figure 1. Or Electronic Proof of Delivery  
   (EPOD) ............................................................................................................................... 6

5. Five Digit Damage Code System ....................................................................................... 8

6. Items to be noted on the Survey Report ............................................................................. 10

7. Deliveries Out Of Normal Hours ...................................................................................... 11

8. Vehicle Survey ................................................................................................................... 12  
   8.1 Inspection Process ....................................................................................................... 14

9. Interior Inspection ................................................................................................................ 15

10. Severe Damage. Vehicles with severe damage should not be delivered to the  
    Receiver. Refer Manufacturers’ policy. ............................................................................ 22
Glossary

“Receiver” may be read as manufacturers, importers, distributors, carriers, dealers, body builders or agents thereof, who accept delivery of the vehicle.

“All parties” is defined as manufacturers, importers, distributors, carriers and dealers.

“Manufacturer” may be read as distributor or importer.

Trained Personnel – competent trained staff in inspection and receiving procedures.

“VPC” should be read as Vehicle Processing Centre.

“VSR” should be read “VSR/EPOD, other electronic interface or equivalent document”.

If there is any inconsistency between the terms and conditions of this manual and any federal or state law then the federal or state law will take precedence over this manual to the extent of the inconsistency.
1. Introduction

This manual covers the minimum procedures required for the receiving and inspection of all new vehicles. Individual/carrier/manufacturer/dealer agreements may also be in place with additional requirements.

Inspection includes Interior and Exterior condition of vehicles (refer to sections 8 and 9).

Most rejected Transit Claims are a result of improper inspection procedures and or incorrect paperwork or notations.

Use of the information in this manual will ensure proper receipt and inspection of vehicles, prevent claim rejections and facilitate claim payment.

It is a requirement that all personnel who inspect vehicles on receipt are competent and trained in the procedures and requirements of this manual. It is the responsibility of the person taking receipt of a new vehicle, to inspect it to these standards at the time of receipt (or agreed alternative timing) and record transit damage on the VSR (Vehicle Survey Report) or Electronic Proof of Delivery (EPOD) systems, where/when available.

The Receiver must ensure that they provide appropriately trained personnel to carry out the inspection jointly with the Vehicle Carrier’s representative. If no personnel from the Receiver is provided, the Carrier representative will sign off the vehicle recording any damages. (Refer section 7 on out of hours delivery.)

It is also important that the people responsible for the transportation damage repair order preparation and for transportation claims processing be competent with carrying out these procedures.
2. **Receiver Carrier Relationship**

To ensure a fast and efficient delivery of vehicles, a spirit of co-operation must exist between Receiver’s and Carrier’s personnel.

### 2.1 The carrier representative is expected to:

- Ensure that the vehicle is able to be adequately surveyed.
- Understand that at the time of pickup of the vehicle, an agreed survey process has to be completed, with any damage notation made to the VSR/EPOD.
- Ensure that all personnel are trained and competent in the procedures and inspection standards contained in this manual.
- Deliver vehicles during working hours or at the agreed time for acknowledged After Hours Deliveries.
- Upon arrival, advise the Receiver’s office when vehicles will be ready for inspection.
- Unload the vehicles from the transporter.
- If required, assist in the washing process of the vehicles (the Carrier representative assistance will be limited to hosing only as opposed to physical washing and does not incorporate the removal of protective plastic sheeting). The Receiver is to provide the equipment and washing facilities. This should take a maximum of 5 minutes per vehicle.
- Remain for a reasonable time for the inspection to be carried out, (reasonable time being 5 minutes per vehicle for inspection of clean vehicles).
- Sign and date the VSR/EPOD after the inspection is completed and all notations and comments, if any, are recorded.
- Leave the Receiver with the Receiver’s copy of the VSR or equivalent documentation. This will not be applicable with EPOD.
- Comply with all relevant legislation including chain of responsibility.

### 2.2 The receiver is expected to:

- Ensure that the vehicle is able to be adequately surveyed.
- Keep the Carrier informed of the hours that personnel will be available to receive and inspect vehicles.
- Sign and date the VSR/EPOD (hand written or electronic signature as appropriate) after the inspection is completed and all notations and comments, if any, are recorded.
• Ensure that there is adequate access to their premises for safe loading and unloading of vehicles being delivered. Where there is insufficient space on the premises to allow access of the transporter and or a safe unloading area is not available, it is the responsibility of the Receiver to ensure that there is an agreed alternative area available to safely unload vehicles being delivered compliant with all relevant legislation.

• The vehicle inspection must be undertaken at the location where the transport company has been instructed to deliver the vehicle. Please refer to the specific manufacturer’s vehicle delivery claims criteria (if any), for further details.

• Where the Receiver’s premises is located on busy streets or highways and the Carrier personnel are required to manoeuvre their transporters to difficult or busy areas, it is the responsibility of all parties to ensure that no member of the general public, Carrier’s or Receiver’s personnel are endangered by being exposed to vehicle movement or possible obstruction of normal traffic or pedestrian flow.

• If the authorities allow access for the Carrier transporters, the Receiver is required to liaise with local authorities to ensure that all trees, power lines and signs in their area are of the required height. This is to ensure that there is no damage caused to vehicles coming into contact with these items.

• At no time is either the Receiver’s or Carrier’s personnel to be requested to drive any vehicle on any road or highway without being supplied a Trade Plate. The Trade Plate is affixed to the vehicle as per the regulatory requirements for the State or Territory in which the Receiver is located.

• Comply with all relevant legislation.

• Provide competent personnel to inspect vehicles at the unloading area as per inspections standards contained in this manual.

• When notified of the arrival of the Carrier representative, respond and inspect the vehicles in a timely manner, taking no more than a reasonable time for completion of inspection, (reasonable time being 5 minutes per inspection of a clean vehicle).

• Wash vehicles on receipt, if required, as per Section 8.1.1
3. **Wharf to PDI**

When collecting new vehicles from the wharf set down area, the Carrier’s representative is to complete an inspection of the vehicle in line with the following requirements:

**The inspection is to be conducted from a distance of one (1) metre proceeding in a clockwise direction.**

The inspection must be completed without moving the vehicle for the purpose of the survey. Where any damage is found to exist, the vehicle is not to be moved and the appropriate wharf representative is to be advised.

Upon acknowledgment and signature being obtained from the wharf representative, the vehicle is to be quarantined for shipment until advice is received from the Distributor / Manufacturer that the damage is consistent with the first and original wharf survey. This advice is to be in writing / email from the Distributor / Manufacturer or designated authority.

Both the Wharf designate and the Carrier’s representative may make notations in the comments area at the bottom of the relevant VSR/EPOD. If there are any comments required about the damage, the representatives are to sign their notations.

The following **MUST NOT** be noted and will not be accepted as transit damage claims:

- Any damage not visible by a standard survey as outlined above.
- Manufacturing and material defects such as paint runs, dirt in paint, paint defects including blemishes under clear coat and poor metal finish including imperfect pressing.
- Inside outwards dents.
- Leading door edge chips other than drivers side passenger door

Where upon moving the vehicle from the set wharf set down stack and prior to approaching the ramp of the car carrier trailing equipment, damage detected under the front / rear bumper is to be advised to the wharf representative.

Where a dispute of the damage arises, the first and original survey document is to be provided by the Manufacturer / Distributor to provide clarity on this matter. This advice is to be in writing / email from the Distributor / Manufacturer or designated authority.

If the damage has been missed on the first survey, then footage of the vehicles movements at the wharf is to be viewed – in the event that the Carriers representative has followed the above process, then the damage will be deemed to have occurred whilst in the hands of the wharf designate and no carrier damage will be deemed to have occurred.
At all times, the Carriers representative should visually inspect for any damage to the following areas (which could be reasonably viewed from the driver's door) but not limited to:

- Driver's seats
- Cockpit area – centre console, dash board, steering wheel and driver’s carpet
- Driver’s side door sill and trim
- Minimum of 2 sets of keys.
4. Vehicle Survey Report Form (VSR) Figure 1. Or Electronic Proof of Delivery (EPOD)

The VSR is the form that is provided to accompany all new vehicles distributed by the Manufacturer and despatched from nominated compounds, where such movement is authorised by the Manufacturer.

The VSR is a multi part document allowing for recording of damages and proof of delivery sign off. The document provides copies for the Receiver, the Carrier and the Carrier’s representative.

In most circumstances the delivery and damage will be recorded via EPOD, an electronic version, with the same requirements as the ‘paper’ VSR.
**Example Only**

**Transit Damages Only**

**Vehicle Survey Report**

<table>
<thead>
<tr>
<th>Dealer Code</th>
<th>Hauller Code</th>
<th>Vessel Name</th>
<th>Driver Name</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Remarks:**

**Special Delivery Instructions:**

<table>
<thead>
<tr>
<th>Carrier Code</th>
<th>Driver/CARRIER Signature</th>
<th>Receiver Code</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Left Passenger Side**

<table>
<thead>
<tr>
<th>Area Description</th>
<th>Code</th>
<th>Code Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Front End (cont)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Right Driver Side</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interior (cont)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Utilitarian Body**

<table>
<thead>
<tr>
<th>Area Description</th>
<th>Code</th>
<th>Code Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Body/Cargo**

<table>
<thead>
<tr>
<th>Area Description</th>
<th>Code</th>
<th>Code Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Front End**

<table>
<thead>
<tr>
<th>Area Description</th>
<th>Code</th>
<th>Code Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Left Rear End**

<table>
<thead>
<tr>
<th>Area Description</th>
<th>Code</th>
<th>Code Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Right Driver Side**

<table>
<thead>
<tr>
<th>Area Description</th>
<th>Code</th>
<th>Code Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Interior**

<table>
<thead>
<tr>
<th>Area Description</th>
<th>Code</th>
<th>Code Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Important to Avoid Noting Errors:**

- **Shaded Areas:** Commercial Vehicles Only
- **Notes:** RandomForest, Hanging, etc.
- **Special Note:** Fälle und Links as Left and Right

**Damage Type Codes**

<table>
<thead>
<tr>
<th>Code</th>
<th>Code Description</th>
</tr>
</thead>
</table>

**Length of Damage**

<table>
<thead>
<tr>
<th>Code</th>
<th>Code Description</th>
</tr>
</thead>
</table>

**Please Use Special Ruler Provided On Right Hand Side Of Survey Report To Measure Length Of Diameter Of Damage To Be Recorded**

**To 750 Effective 13/02**
5. Five Digit Damage Code System

The damage code system used by the Carrier and Manufacturer is composed of five (5) digits. The damage code system has been designed to simplify notations on the VSR (Vehicle Survey Report) and to facilitate the use of computer processing.

Use of the code allows a detailed description of the damaged area, by damage type and the extent or severity of the damage and/or missing parts.

The five-digit damage code is made up of the following:

<table>
<thead>
<tr>
<th>Damage Area Code</th>
<th>first and second digits</th>
<th>Alpha/numeric</th>
</tr>
</thead>
<tbody>
<tr>
<td>Damage Type Code</td>
<td>third and fourth digits</td>
<td>numeric/numeric</td>
</tr>
<tr>
<td>Damage Severity Code</td>
<td>fifth digit</td>
<td>numeric</td>
</tr>
</tbody>
</table>

**Damage Code Example**

The left rear door is dented about ten (10) cm in length.

This damage is to be noted as follows: A6 04 3

A6      Door left rear
04      Dented
3       over 8cm up to 15cm

Damage code notation errors account for the majority of transportation claim rejections. Damage codes written on the VSR cannot be changed after the vehicle has been accepted and the Carrier’s representative has left the Receiver’s premises. The Carrier’s copy of the VSR is used to verify the claim submitted by the Receiver.

**Other areas that cause claims to be rejected or adjusted are:**

- **Incorrect severity code.** On the right hand side of the VSR there is a ruler to correctly measure the size of the damage.
- **Incorrect damage area code.** Each panel or area of the vehicle is represented by a specific code, often the left and right are incorrectly marked down. Determine the left from the right as if sitting in the driver’s seat. Also be careful in selecting front and rear.
- **Incorrect damage type code.** Damage type codes are listed at the bottom of the VSR, careful attention is needed to correctly describe each type of damage.
• Writing of comments in the lower right hand portion of the VSR (comments area) does not constitute a valid record of damage, (e.g. stone chip on rear of vehicle), each area must be defined within the body of the VSR using the correct location and codes.

Examples of damage areas and types are listed and illustrated further in this manual.
6. Items to be noted on the Survey Report

The following **MUST NOT** be noted and will not be accepted as transit damage claims:

- Any damage not visible by a standard survey as outlined in Section 8.
- Manufacturing and material defects such as paint runs, dirt in paint, paint defects including blemishes under clear coat and poor metal finish including imperfect pressing.
- Inside outwards dents.
- Leading door edge chips other than drivers side passenger door

Items that **CAN BE** noted in the delivery **COMMENT** area at the bottom of the VSR and will be considered on a case by case basis.

- Environmental / Industrial fallout, also including but not restricted to: bug or insect marks and excrement on glass, paint or other parts of the vehicle. Immediate attention to cleaning the contamination must be undertaken on receipt of the vehicle to prevent consequential damage. If unsure of the correct rectification procedure please seek the immediate advice of the Manufacturer / Distributor.
- Driver side passenger door leading edge
- Isolated stone chips.
7. Deliveries Out Of Normal Hours

Prior to commencing vehicle deliveries out of hours, the Receiver must provide written confirmation to the designated Carrier that they accept such vehicle deliveries to occur.

If the Receiver wishes to make a claim for transport damage for a vehicle delivered out of hours then the Receiver must advise the Carrier, in writing by midday on the day immediately after the receipt of the vehicle or as per individual Carrier / Manufacturer Agreement.

A Carrier representative may visit the Receiver and inspect the damage or may request photographs for verification.

If the damages are accepted, the Carrier should arrange for confirmation in writing as per Individual / Carrier / Manufacturer Agreements. Time frame e.g. within 24 hours of notified damage.

The Receiver is to lodge the transit damage claim using the correct procedures as per the Manufacturer / Carrier policies.
8. Vehicle Survey

When receiving a new vehicle during the Receiver’s business hours the designated Receiver’s representative must inspect the vehicle immediately for transportation damage. The inspection must be completed and proper notations are to be recorded onto the VSR/EPOD. Out of Hours deliveries refer Section 7.

Both the Receiver’s and the Carrier’s representative may make notations in the comments area at the bottom of the VSR/EPOD. If there are any comments required about the delivery, the representatives are to sign their notations.

Survey to be conducted from a distance of one (1) metre proceeding in a clockwise direction.
8.1 **Inspection Process**

8.1.1 On receipt, if the vehicle(s) require washing, the Receiver is to provide the area and the equipment required. The Carrier’s representative will assist in the washing of vehicles (as outlined in section 2.1) if required to do so.

8.1.2 Vehicles that are delivered, still covered in the protective coating, or plastic wrap guard, are not to have any of the protective coating or the wrap guard removed for the inspection process.

It is the responsibility of the receiver to inspect for disturbed or damaged protective coating (e.g. torn, ripped, scuffed, scratched, stained, soiled, punctured, loose, lifted, sliced, cut, removed, reapplied, etc) to ensure that there is no possible transit related damages.

For vehicles that have the plastic wrap guard applied, it only requires removal if there is evidence of damage caused to the plastic sheeting and it requires the removal of the plastic sheeting to ensure that the damage is recorded correctly on delivery.

Paint defect and scratches located after removal of any protective coating indicates the vehicle was damaged prior to the application of the protective coating and is not to be claimed as transit damage and should be handled as per Individual / Carrier / Manufacturer Agreements.

8.1.3 The inspection of the vehicle(s) is to take place at a distance of one (1) metre. Minor scratches and scuffs that cannot be seen from a distance of one (1) metre are not to be accepted as transit damage. Adequate step up equipment is to be used to safely inspect high panel roofs. Inspection includes under bumper examination by use of either mirrors or hand.

8.1.4 It is prohibited to inspect vehicles using the following methods:

- checking under blue light
- on hoists or over pits
- with a magnifying glass
- climbing or leaning on vehicle
- with the hand, as this will scratch the surface (with exception to under bumpers)
- use of finger nails.
9. **Interior Inspection**

The receiver should visually inspect for any damage to the following areas (which could be reasonably viewed from the driver’s door) but not limited to:

- Driver’s seats
- Cockpit area – centre consol, dash board, steering wheel and driver’s carpet
- Driver’s side door sill and trim
- Minimum of 2 sets of keys.
A2  PILLAR W/SHIELD LEFT FRONT
A3  MIRROR OUTSIDE LEFT
A5  PILLAR LEFT CENTRE
A7  ROCKER PANEL – LEFT
A8  EXTENSION ROOF LEFT REAR
A9  QUARTER PANEL – LEFT
B3  FENDER – LEFT FRONT DOOR, UPPER
B4  FENDER – LEFT FRONT DOOR, LOWER
B5  DOOR – LEFT FRONT, UPPER
B6  DOOR – LEFT FRONT, LOWER
B7  DOOR – LEFT REAR, UPPER
B8  DOOR – LEFT REAR, LOWER
P4  AIR DAM (SKIRT)
N2  WINDSHIELD
N4  BONNET
N5  HEADER PANEL/HOOD EXTENSION
N9  BUMPER COVER – FRONT
S3  ROOF
D1  GLASS – REAR
D3  BOOT LID/TAILGATE/HATCHBACK
D9  BUMPER/Cover – REAR
K2  PILLAR W/SHIELD RIGHT FRONT
K3  MIRROR OUTSIDE RIGHT
K5  PILLAR RIGHT CENTRE
K7  ROCKER PANEL – RIGHT
K8  EXTENSION – ROOF RIGHT
K9  QUARTER PANEL – RIGHT
L3  FENDER – RIGHT FRONT, UPPER
L4  FENDER – LEFT FRONT, LOWER
L5  DOOR – RIGHT FRONT, UPPER
L6  DOOR – RIGHT FRONT, LOWER
L7  DOOR – RIGHT REAR, UPPER
L8  DOOR – RIGHT REAR, LOWER
S3  ROOF PANEL (TURRET) REAR
P1  BUMPER/GUARD/STRIP – FRONT
P2  PANEL BEHIND BUMPER – FRONT
P3  COWL, VENT PANEL
P4  AIRDAM (SKIRT)
N2  GLASS WINDSHIELD
N3  WIPERS
N4  BONNET
N6  GRILLE
N7  HEADLAMP/RIM – LEFT
N8  HEADLAMP/RIM – RIGHT
N9  BUMPER COVER – FRONT
E1  BUMPER GUARD/STRIP REAR
D1  GLASS – REAR
D2  PANEL – REAR COMP FRONT
D5  END PANEL – REAR
D7  TAIL LAMP/RIM – LEFT
D8  TAIL LAMP/RIM – RIGHT
D9  BUMPER/Cover – REAR
A2  PILLAR – W/SHIELD, LEFT FRONT
A5  PILLAR – LEFT CENTRE
A6  PILLAR – REAR
A8  EXTENSION – ROOF LEFT REAR
B2  WAGON – LEFT SIDE WINDOW
K2  PILLAR – W/SHIELD, LEFT FRONT
K5  PILLAR – LEFT CENTRE
K8  EXTENSION – ROOF LEFT REAR
K2  WAGON – LEFT SIDE WINDOW
10. Severe Damage

Vehicles with severe damage should not be delivered to the Receiver. Refer Manufacturers’ policy as appropriate.

Where a Receiver wishes to reject a vehicle, whether on the basis of disputed ownership, minor damage, or any other cause, the following procedure is to apply:

The Receiver is obliged to accept the vehicle, provided the delivery is consistent with the vehicle details and shipping instructions contained within the VSR.

In the event that a journey cannot be completed (e.g. accident, theft) en-route to the Receiver, the designated Carrier’s representative will transport or have the vehicle/s transferred to the nearest Carrier compound.

The vehicles are then to be inspected by a Carrier representative, other than the driver, and the Manufacturer will be notified accordingly.

The driver will complete a full and detailed report of the incident to their respective management.

The Management of the Carrier will immediately notify the Manufacturer by telephone, with a confirming facsimile or email advising the extent of the damage to the vehicle/s and ask the Manufacturer if delivery is still required.

It is the Manufacturer’s obligation to determine if the vehicle/s are still required to be transported to their destination (not the Carrier) and this is to be confirmed in writing by the Manufacturer.

The Carrier will provide the Manufacturer in writing the following:

- the Management Report detailing the extent of damage
- the Driver’s Statement (subject to privacy legislation)
- the Region’s response.

irrespective if the vehicle/s are accepted or rejected.

Should the Receiver take delivery of the vehicle/s the Transit Insurance and Claims Procedures will operate as per Individual / Carrier / Manufacturer Agreements.

AT ALL TIMES THE CARRIER MUST PROVIDE PROMPT NOTIFICATION TO THE MANUFACTURER AND KEEP THEM REGULARLY INFORMED